EMAKHAZENI LOCAL MUNICIPALITY

ANNUAL BUDGET

2015/2016 TO 2017/2018

Vision:

A secure environment and sustainable development to promote service excellence, unity and community participation resulting in a caring society.

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1.1 MAYOR'S REPORT

Pending until 17 July 2015 – Municipal Budget State of address

1.2 COUNCIL RESOLUTION

EMAKHAZENI LOCAL MUNICIPALITY

EXTRACT FROM THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON THE 23 JUNE 2015 IN THE COUNCIL CHAMBER AT 14:00

S01/06/2015 ANNUAL BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2015/2016, 2016/2017 AND 2017/2018

Resolved that;

1. The Medium Term Revenue and Expenditure Framework for 2015/16 – 2017/18 is approved with all budget tables; A1 to A10 Framework for 2015/16 – 2017/18.
2. The capital projects for the 2015/2016 financial year are approved.
3. The tariffs for electricity are approved as follows;
   Electricity (Consumption): 12.2%
   Electricity (Basic Charge on conventional meters): 6 %
   Electricity (Basic Charge on pre-paid meters)p/m: R50.00
4. The tariffs for assessment rates are approved at a 6% increase as follows:

CATEGORY	FACTOR
Residential with the exclusion of the first R15 000 of assessed market value including government owned (Applicable to properties with a market value of R 100,000.00 and more)	0.0072
For properties less than R 100,000.00 market value a flat rate of R 680.00 per year (R56.67per month) will be charged	Flat rate per Year 680.00
Accommodation establishments	0.0083
Business and commercial including government owned	0.0230
Industrial and power stations	0.1890
Public service infrastructure	0.1900
Agricultural	0.0018
Vacant	0.0159
Mining	0.1965
Public benefits organizations	-
Schools including government/state owned	0.0230
Residential	0.0072
Commercial/industrial	0.0230
Privately owned roads/parks, subject to the stipulations of Section 17(2)(b) of Act 6 of 2004	0.0072
Privately owned towns serviced by the owner	0.0047

5. The following tariffs and tariff list is approved as follows:
   Sewerage: 6 %
   Water (Consumption & Basic Charge): 6 %
   Cleansing: 6 %
   Other income: 6 %
6. The 7% salary increase is approved.
7. The following amended budget-related policies are approved and adopted for implementation from 1 July 2015:

   Credit Control and Debt Management Policy
   Supply Chain Management Policy

Budget Management Policy
Indigent Policy
Tariff Policy
Property Rates Policy
Asset Management Policy
Receipt Policy
Petty Cash Policy
Banking and investment Policy

8. The asset management policy be implemented retrospectively to the 2014/2015 financial year.
9. The Service Level Standards are approved together with the budget as per Circular 75 of the Municipal Finance Management Act.
10. The payment of Ward committee member's stipends of R500.00 per member per month be paid as from 1 July 2015 and, procedures to control attendance of the members should be put in place.
11. The budget deficit with regards to non-cash items together with the Funding of the Budget plan is approved.
12. It is noted that all issues raised have been considered and therefore, the Medium Term Revenue and Expenditure Framework for 2015/2016 – 2017/2018 is approved.
13. The Accounting Officer should submit to the Executive Mayor within 14 days after the approval of the budget, the Service Delivery and Budget Implementation Plans for the 2015/2016 financial year which is linked to the 2015/2016 financial year budget.
14. The Executive Mayor should ensure that the submitted Performance Agreements complies with the Municipal Finance Management Act to ensure sound financial management, are linked to the operational plans and SDBIP's and concluded in accordance with section 57(2) of the Municipal Systems Act, as amended.
15. The approved budget in both printed and electronic formats should be submitted to National and Provincial Treasury.
16. The approved budget should be placed on the municipal website within five (5) working days from approval.
17. The approved budget and supporting documentation with Council resolution should be made public in terms of Section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) working days after Council approval.

CERTIFIED CORRECT..... **DATE**.....25-06-2015

ACTING MUNICIPAL MANAGER

EMAKHAZENI
P.O. BOX 17
25 JUN 2015
BELFAST 1100
LOCAL MUNICIPALITY

1.3 EXECUTIVE SUMMARY

ANNUAL BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2015/2016, 2016/2017 AND 2017/2018

REPORT OF THE CHIEF FINANCIAL OFFICER

BACKGROUND

Section 16 of the Municipal Finance Management Act (MFMA) requires that the municipality must for each financial year approve an annual budget before the start of the financial year.

The format and contents of the budget are prescribed by section 16 to 27 of the MFMA as well the new budget and reporting regulation issued by National Treasury.

The MFMA refers to funding of expenditure and states:

a) An annual budget may only be funded from:
- realistically anticipated revenues to be collected

- cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- borrowed funds; but only for the capital budget referred to in section 17(2).

b) Revenue projections in the budget must be realistic, taking into account:
- projected revenue for the current year based on collection levels to date; and
- actual revenue collected in previous financial years

c) Circular 70, 72, 74 and 75 issued by National Treasury provide further guidance for the preparation of 2015/2016 MTREF

National Treasury – Key Focus Areas for budget process

The 2015/2016 Budget review notes the unfavorable global and domestic circumstances which impact on al spheres of government and notes all the posing risks of such as growth etc. Inflation and a nominal spending ceiling will put real budgets under pressure over the medium term, requiring all spheres of government to work more efficiently. Municipalities will have to revise their spending plans and reprioritize funds to ensure key objectives are achieved and well-performing programmes are supported.

Consequently, municipal revenue and cash flows are expected to remain under pressure in 2015/2016 and municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.

A. Revising rates, tariffs and other charges

National Treasury guides that when municipalities revise their rates, tariffs and other charges for their 2015/16 budgets and MTREF, taking into account the overall economic pressures such as inflation and economic growth and conclude on a justifiable tariff in line with the CPI.

Hence the municipality is in a process of restructuring the tariffs to ensure that they are cost reflective and this will be finalised and included in the final budget after it is communicated to the community through public participation. It must also be noted that tariffs may only be implemented from the start of the financial year.

B. Funding choices and management issues

The municipality is once again reminded that given on-going economic pressures, the revenue side of municipal budgets will continue to be constrained, so it will again need to make some very tough decisions on the expenditure side this year. Priority still needs to be given to:

- Ensuring that drinking water and waste water management meets the required quality standards at all times;
- Protecting the poor;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants

The National Treasury has continuously through circulars informed municipality of to eliminate non-priority spending and sponsoring excessively to music/art festivals. With the implementation of cost-containment measures, municipalities must control unnecessary spending on nice-to-have items and non-essential activities.

Municipalities should implement cost-containing measures to eliminate waste and/or, reprioritise spending to ensure savings on these six focus areas namely;

- consultancy fees
- no credit cards
- travel and related costs
- advertising
- catering and event costs
- accommodation

C. Headline inflation forecasts.

Fiscal year	**2013/14 Actual**	**2014/15 Estimate**	**2015/16 Forecast**	**2016/17 Forecast**	**2017/18 Forecast**
Real GDP Growth	2.2%	1.4%	2.0%	2.6%	3.0%
CPI Inflation	5.8%	5.6%	4.8%	5.9%	5.6%

Source: MFMA Circular 75

D. Tariff increases 2015/16

The recommended tariffs for approval and community participation:

Sewerage: 6 %

Water (Consumption & Basic Charge): 6 %

Cleansing: 6 %
Other income: 6 %

Electricity (Consumption): 12.2 %

Electricity (Basic Charge on conventional): 6 %

Electricity (Basic Charge on pre-paid): R50.00 (new tariff)

Assessment Rates: 6 %

Additional information on tariffs:

- Assessment rates will increase the financial year 2015/16 from the 2014/15 as the MPRA valuation roll will be implemented and the factors will be as follows:

CATEGORY	FACTOR
Residential with the exclusion of the first R15 000 of assessed market value including government owned (Applicable to properties with a market value of R 100,000.00 and more)	0.0072
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Privately owned towns serviced by the owner	0.0047

- The tariffs for electricity as per NERSA guideline is 12.2% for the electricity consumption and 6% for basic charges, but this tariffs is subject to the final NERSA approval and be adjusted accordingly should further increases be approved for ESKOM.
- All documentation related to the guideline determination is available on the NERSA website (http://www.nersa.org.za/).

E. Capital Budget Summary

A summary of the capital budget is set as follows:

Funding	2015/2016	2016/2017	2017/2018
Municipal Infrastructure Grant	R 16 867 250.00	R 17 390 700.00	R 18 174 450.00
Integrated National Electrification Programme	R 0.00	R 2 000 000.00	R 3 000 000.00
Internal	R 1 157 650.00	R 1 180 803.00	R 1 204 417.00
Nkangala District Municipality	R 17 900 000.00	R 12 340 000.00	R 11 440 000.00

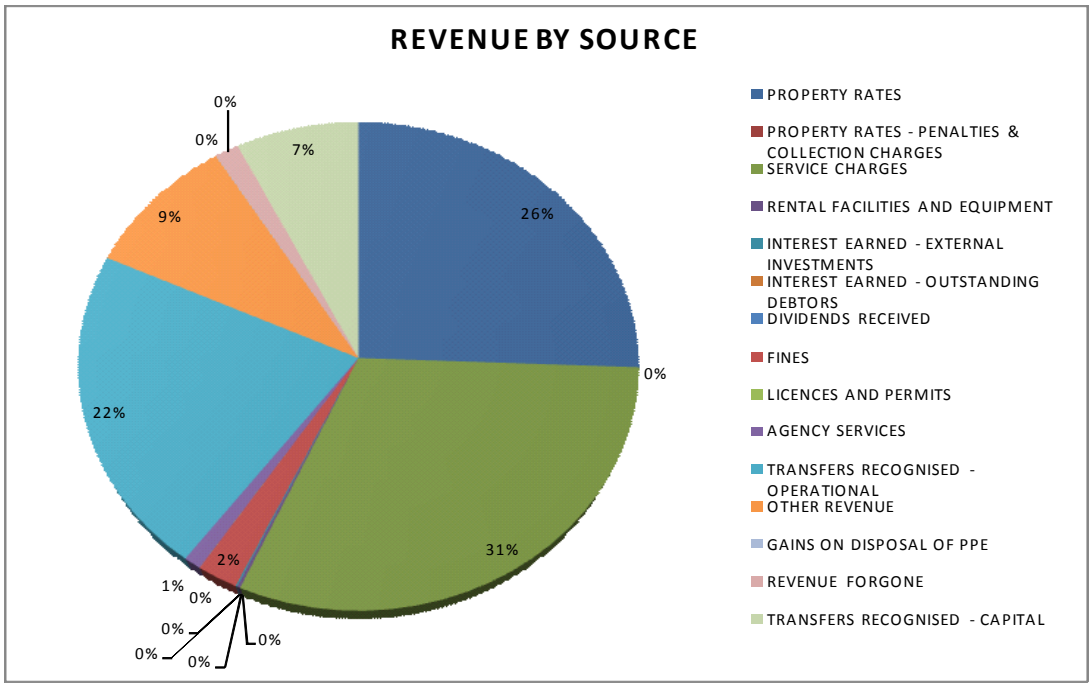
A detailed project list is attached with the budget documentation. It must be noted that only capital projects which funding has been secured may be included in the capital budget.

F. Operating Revenue & Expenditure Framework

i) Revenue by source

The following graph represents the percentage of the proposed budget of revenue as per source:

DEPT	ITEM CODE	DESCRIPTION	AUDIT OUTCOME 2011/2012	AUDIT OUTCOME 2012/2013	AUDIT OUTCOME 2013/2014	BUDGET 2014/2015	ADJUSTMENT BUDGET 2014/2015	BUDGET 2015/2016	BUDGET FORECAST 2016/2017	BUDGET FORECAST 2017/2018
		REVENUE BY SOURCE								
		PROPERTY RATES	**-20,438,543.25**	**-31,358,480.12**	**-54,522,901.15**	**-63,123,778.00**	**-63,123,778.00**	**-62,071,122.00**	**-65,795,390.00**	**-69,743,113.00**
19	10060	ASSESMENT RATES ON FARMS	-	-	-	-6,139,856.00	-6,139,856.00	-35,272,960.00	-37,389,338.00	-39,632,698.00
19	60075	ASSESSMENT RATES	-20,438,543.25	-31,358,480.12	-54,522,901.15	-56,983,922.00	-56,983,922.00	-26,798,162.00	-28,406,052.00	-30,110,415.00
		PROPERTY RATES - PENALTIES & COLLECTION CHARGES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		SERVICE CHARGES	**-55,030,971.61**	**-64,057,587.51**	**-64,938,341.50**	**-75,076,596.00**	**-69,176,596.00**	**-75,422,066.00**	**-82,297,842.00**	**-89,872,917.00**
20	10050	REFUSE REMOVAL SERVICES	-6,783,362.48	-7,331,639.77	-7,806,108.97	-8,487,064.00	-8,487,064.00	-8,996,287.00	-9,536,065.00	-10,108,228.00
21	10100	SEWERAGE SERVICES	-6,494,536.53	-7,254,609.35	-7,702,383.16	-8,273,187.00	-8,273,187.00	-8,769,578.00	-9,295,752.00	-9,853,497.00
40	60093	PREPAID ELECTRICITY	-14,105,844.50	-15,907,647.43	-18,280,603.45	-20,862,802.00	-20,862,802.00	-23,408,064.00	-26,263,848.00	-29,468,038.00
40	60094	SALE OF ELECTRICITY	-11,877,739.56	-15,923,927.75	-12,096,987.29	-17,925,539.00	-12,925,539.00	-14,502,454.00	-16,271,753.00	-18,256,906.00
40	60095	BASIC ELECTRICITY	-4,569,778.99	-5,088,361.52	-5,060,012.48	-5,553,763.00	-5,553,763.00	-5,886,989.00	-6,240,208.00	-6,614,620.00
40	60096	FREE BASIC SERVICES 2	-	-6,712.28	-	-	-	-		-
45	60101	SALE OF WATER	-6,407,283.48	-7,204,100.84	-8,367,039.38	-6,914,893.00	-6,014,893.00	-6,375,786.00	-6,758,333.00	-7,163,833.00
45	60102	BASIC WATER	-4,792,426.07	-5,340,588.57	-5,625,206.77	-7,059,348.00	-7,059,348.00	-7,482,908.00	-7,931,883.00	-8,407,795.00
		RENTAL FACILITIES AND EQUIPMENT	**-769,739.63**	**-529,314.94**	**-435,339.68**	**-443,861.00**	**-418,461.00**	**-437,011.00**	**-463,229.00**	**-491,020.00**
		INTEREST EARNED - EXTERNAL INVESTMENTS	**-104,459.03**	**-463,559.12**	**-218,287.19**	**-216,240.00**	**-264,000.00**	**-216,240.00**	**-229,214.00**	**-242,966.00**
		INTEREST EARNED - OUTSTANDING DEBTORS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		DIVIDENDS RECEIVED	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		FINES	**-5,142,058.26**	**-5,483,025.88**	**-9,206,920.58**	**-5,401,225.00**	**-5,250,200.00**	**-5,556,400.00**	**-5,889,784.00**	**-6,243,170.00**
		LICENCES AND PERMITS	**-36,645.45**	**-32,019.63**	**-23,172.39**	**-32,535.00**	**-6,600.00**	**-6,990.00**	**-7,409.00**	**-7,853.00**
		AGENCY SERVICES	**-2,405,825.12**	**-2,567,591.52**	**-2,794,432.55**	**-2,384,080.00**	**-2,010,284.00**	**-2,384,080.00**	**-2,527,124.00**	**-2,678,751.00**
		TRANSFERS RECOGNISED - OPERATIONAL	**-34,350,056.09**	**-38,880,695.02**	**-41,975,000.00**	**-46,402,333.00**	**-46,402,333.00**	**-52,305,000.00**	**-54,367,000.00**	**-57,452,000.00**
4	55091	GRANT: DCSR LIBRARIES	-15,418.09	-	-	-	-	-		
13	55095	EPWP INCENTIVE GRANT	-391,000.00	-932,695.02	-	-	-	-		
14	55095	EPWP INCENTIVE GRANT	-	-	-1,000,000.00	-1,235,000.00	-1,235,000.00	-1,089,000.00	-	-
19	55051	EQUIT SHARE (COUNCIL SALARY)	-1,056,000.00	-1,898,000.00	-2,384,000.00	-2,285,000.00	-2,285,000.00	-2,417,000.00	-2,550,000.00	-2,686,000.00
19	55049	EQUITABLE SHARE (WARD COMMITTEE)	-	-	-	-480,000.00	-480,000.00	-480,000.00	-480,000.00	-480,000.00
23	60201	LGSETA INTERNSHIP SUBSIDY	-	-	-	-153,333.00	-153,333.00	-	-	-
24	55050	EQUITABLE SHARE	-30,505,638.00	-33,750,000.00	-36,151,000.00	-39,515,000.00	-39,515,000.00	-45,589,000.00	-48,555,000.00	-51,353,000.00
24	55060	GRANT: MSIG (INCOME)	-790,000.00	-800,000.00	-890,000.00	-934,000.00	-934,000.00	-930,000.00	-957,000.00	-1,033,000.00
24	55080	GRANT: FINANCIAL MANAGEMENT	-1,250,000.00	-1,500,000.00	-1,550,000.00	-1,800,000.00	-1,800,000.00	-1,800,000.00	-1,825,000.00	-1,900,000.00
40	55090	GRANT: INEP (MUNICIPAL)	-342,000.00	-	-	-	-			
		OTHER REVENUE	**-5,059,823.67**	**-24,847,415.08**	**-14,978,913.26**	**-1,070,250.00**	**-771,084.00**	**-22,767,287.00**	**-827,209.00**	**-876,825.00**
		GAINS ON DISPOSAL OF PPE	**-**	**-**	**-14,166.67**	**-204,000.00**	**-204,000.00**	**-54,000.00**	**-54,000.00**	**-54,000.00**
14	60302	LAND AVAILABILITY OR DISPOSAL	-	-	-	-	-	-		
14	65011	SALE OF DWELLINGS	-	-	-14,166.67	-204,000.00	-204,000.00	-54,000.00	-54,000.00	-54,000.00
25	60302	LAND AVAILABILITY OR DISPOSAL	-	-	-	-	-	-		
		TOTAL REVENUE (EXCLUDING CAPITAL SOURCE AND REVENUE FORGONE)	**-123,338,122.11**	**-168,219,688.82**	**-189,107,474.97**	**-194,354,898.00**	**-187,627,336.00**	**-221,220,196.00**	**-212,458,201.00**	**-227,662,615.00**
		REVENUE FORGONE	**2,149,353.01**	**1,883,407.91**	**2,376,326.76**	**2,588,520.00**	**2,588,520.00**	**3,468,742.00**	**3,676,867.00**	**3,897,479.00**
19	260082	REBATES ON ASSESSMENT RATES	756,109.38	70,314.57	36,257.56	318,000.00	318,000.00			
19	260083	FREE BASIC SERVICES	-	24.68	247,296.81	648,720.00	648,720.00	1,749,634.00	1,854,612.00	1,965,889.00
45	260083	FREE BASIC SERVICES	1,393,243.63	1,813,068.66	2,092,772.39	1,621,800.00	1,621,800.00	1,719,108.00	1,822,255.00	1,931,590.00
		TOTAL OPERATING REVENUE (EXCLUDING CAPITAL SOURCE)	**-121,188,769.10**	**-166,336,280.91**	**-186,731,148.21**	**-191,766,378.00**	**-185,038,816.00**	**-217,751,454.00**	**-208,781,334.00**	**-223,765,136.00**
		TRANSFERS RECOGNISED - CAPITAL	**-8,515,157.96**	**-15,336,141.05**	**-13,322,000.00**	**-17,232,000.00**	**-17,232,000.00**	**-17,755,000.00**	**-20,306,000.00**	**-22,131,000.00**
19	55052	GRANT: MIG	-8,515,157.96	-15,018,358.02	-13,322,000.00	-17,232,000.00	-17,232,000.00	-17,755,000.00	-18,306,000.00	-19,131,000.00
19	55054	GRANT: MIG PROSPECTIVELY	-	-317,783.03		-				
40	55090	GRANT INEP (MUNICIPAL)	-	-		-		-	-2,000,000.00	-3,000,000.00
		TOTAL REVENUE	**-129,703,927.06**	**-181,672,421.96**	**-200,053,148.21**	**-208,998,378.00**	**-202,270,816.00**	**-235,506,454.00**	**-229,087,334.00**	**-245,896,136.00**



Major sources of Revenue:

a) Property Rates

Nkangala District Municipality then appointed a service provider by the name of UNIQUO CO to assist Emakhazeni in the preparation of the new valuation roll that will be implemented from the 01st July 2015. Therefore after the valuation roll has been received, Emakhazeni Local Municipality will then implement the factor in the new valuation values effective 1 July 2015.

It must noted that the R 26 798 162 is for Assessment rates and R35 272 960 is for Assessment rates on Farms which total to R62 071 122 for the year 2015/2016.

b) Service charges

All services charges excluding electricity consumption charges will increase with 6% and then electricity consumption will increase with 12.2%. With these increases the services charges for 2015/2016 budget will amount to R 75 422 066.

A new tariff has been introduced under service charges in 2015/2016 budget, which is the basic electricity charge for pre-paid meters that will be a monthly charge of R50.00 for consumer whom has a pre-paid meter. This will be a minimal amount for the budget 2015/2016 as it is being introduced, but will increase in the future financial years, as this basic charges is introduced for the purpose to sustain and maintain the electricity infrastructure.

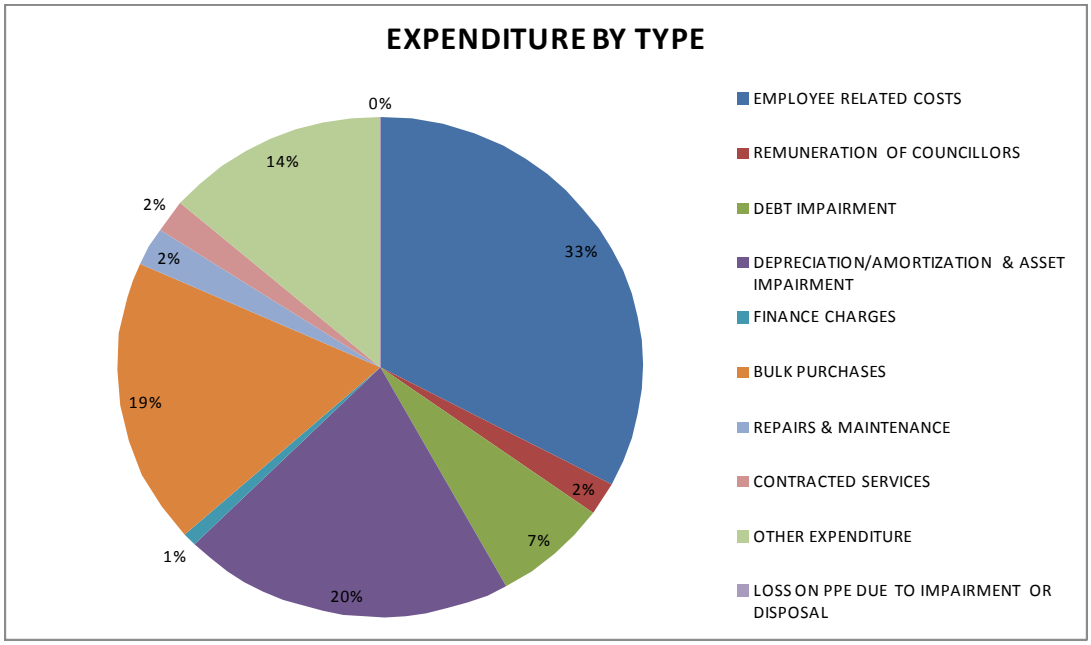
c) Operational Grants

	Budget 2015/2016	Budget 2016/2017	Budget 2017/2018
TRANSFERS RECOGNISED - OPERATIONAL	**52,305,000.00**	**54,367,000.00**	**57,452,000.00**
EQUIT SHARE (COUNCIL SALARY)	2,417,000.00	2,550,000.00	2,686,000.00
EQUITABLE SHARE (WARD COMMITTEE)	480,000.00	480,000.00	480,000.00
EQUITABLE SHARE	45,589,000.00	48,555,000.00	51,353,000.00
MSIG	930,000.00	957,000.00	1,033,000.00
FINANCIAL MANAGEMENT	1,800,000.00	1,825,000.00	1,900,000.00

ii) Expenditure per category

The following graph represents the percentage of the proposed budget of expenditure as per category:

DEPT	ITEM CODE	DESCRIPTION	AUDIT OUTCOME 2011/2012	AUDIT OUTCOME 2012/2013	AUDIT OUTCOME 2013/2014	BUDGET 2014/2015	ADJUSTMENT BUDGET 2014/2015	BUDGET 2015/2016	BUDGET FORECAST 2016/2017	BUDGET FORECAST 2017/2018
		EMPLOYEE RELATED COSTS	**50,213,154.91**	**58,421,438.21**	**59,445,374.96**	**78,916,214.00**	**78,916,214.00**	**82,500,352.00**	**87,016,505.00**	**91,621,034.00**
		REMUNERATION OF COUNCILLORS	**4,256,472.61**	**4,484,763.94**	**4,787,535.96**	**5,108,645.00**	**5,108,645.00**	**5,441,566.00**	**5,768,061.00**	**6,114,146.00**
		DEBT IMPAIRMENT	**8,110,426.12**	**-8,742,326.54**	**31,225,458.50**	**9,190,200.00**	**9,190,200.00**	**17,709,169.00**	**18,771,719.00**	**19,898,022.00**
		DEPRECIATION/AMORTIZATION & ASSET IMPAIRMENT	**48,036,809.37**	**45,060,185.88**	**49,319,511.19**	**50,979,600.00**	**50,979,600.00**	**51,486,796.00**	**51,999,063.00**	**52,516,453.00**
		FINANCE CHARGES	**1,061,204.16**	**1,256,343.11**	**2,161,754.42**	**1,537,000.00**	**1,937,000.00**	**2,053,220.00**	**2,176,413.00**	**2,306,997.00**
16	270010	INTEREST	14,939.83	-		-			-	-
19	280010	FRUITLESS AND WASTEFUL EXPENDI	1,019,361.47	1,256,343.11	2,161,754.42	1,537,000.00	1,937,000.00	2,053,220.00	2,176,413.00	2,306,997.00
		BULK PURCHASES	**29,844,270.08**	**29,280,761.89**	**34,256,229.16**	**40,769,696.00**	**40,769,696.00**	**46,575,300.00**	**53,207,622.00**	**60,784,387.00**
40	245010	PURCHASE OF ELECTRICITY	29,844,270.08	29,280,761.89	34,256,229.16	40,769,696.00	40,769,696.00	46,575,300.00	53,207,622.00	60,784,387.00
		REPAIRS & MAINTENANCE	**5,706,128.04**	**24,839,510.90**	**5,372,458.60**	**8,285,578.00**	**6,135,355.00**	**6,141,247.00**	**6,264,070.00**	**6,389,343.00**
		CONTRACTED SERVICES	**2,150,475.51**	**2,701,958.55**	**3,548,460.09**	**3,473,604.00**	**4,173,604.00**	**5,325,000.00**	**5,431,500.00**	**5,540,130.00**
7	260052	SECURITY	2,150,475.51	2,701,958.55		-				
25	260092	SECURITY BANKING	-	-	2,360.00	306,000.00	306,000.00	285,000.00	290,700.00	296,514.00
30	260052	SECURITY	-	-	3,546,100.09	3,167,604.00	3,867,604.00	5,040,000.00	5,140,800.00	5,243,616.00
		OTHER EXPENDITURE	**31,834,032.47**	**30,789,331.44**	**30,871,110.76**	**35,062,937.00**	**32,605,398.00**	**34,409,870.00**	**34,299,682.00**	**35,415,499.00**
		LOSS ON PPE DUE TO IMPAIRMENT OR DISPOSAL	**-**	**-**	**14,756.23**	**-**	**-**	**-**	**-**	**-**
25	260410	LOSS ON SALE OF ASSETS			6,000.00					
25	260420	LOSS ON ASSET IMPAIRMENT	-	-	14,756.23	-			-	-
		TOTAL EXPENDITURE (EXCLUDING CAPITAL)	**181,212,973.27**	**188,091,967.38**	**221,002,649.87**	**233,323,474.00**	**229,815,712.00**	**251,642,520.00**	**264,934,635.00**	**280,586,011.00**



a) Employee related costs

The Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015 has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised by Provincial Treasury to budget for a 7% per cent cost-of-living increase adjustment to be effective as from 1 July 2015(in line with the increase proposed in the 201 MTBPS). The municipality further will use the inflation forecast to project increases to project increases in the outer years.

Therefore the salary increase provision, shall be seven percent (7%) awaiting the new agreed implementation salary increase from the Salary and Wage Collective.

The current vacant posts have been provided, but **NO new posts** have been provided for.

b) Debt Impairment

A provision for debt impairment is made for 2015/16 to the amount of R17 778 036. This forms one of the non-cash items and was informed by outstanding debtors amounting R 170,951,747 as at 31 December 2014.

c) Depreciation and Amortization

Depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total is R 51 486 796 for the 2015/2016 Budget.

d) Finance charges

Finance charges consist primarily of the payment of interest on arrears creditors' accounts. Municipal revenue and cash flows are expected to remain under pressure in 2015/2016 which cause the finance charges for the 2015/2016 Budget to be R 2 053 220.

e) Contracted Services

Contracted services expenditure totals to R 5 325 000 for the 2015/2016 Budget. This expenditure is primarily for security services.

f) Repair and Maintenance

Repair and Maintenance comprise of amongst other the purchase of materials for maintenance that totals to R 6 141 247 for the 2015/2016 Budget.

g) Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality and totals to R 34 409 870 for the 2015/2016 Budget.

- **Ward Committee Stipends**

  Equitable Share Grant as per the Division of Revenue allocates a portion of the allocation for Councillors and Ward committee members remuneration.

  Therefore in the draft budget a R500.00 stipend is provided to be paid to Ward committee members, per member per month to be funded from Equitable Share Grant.

  Once the stipend is paid to a member the municipality shall then **not pay any expenses** for Ward committee members such as out of pocket, catering, transport and/or any other cost incurred from own funds or any other Grants received.

  National Treasury emphasized that a strong control should be placed on the attendance and participation of these member. After reviewing various municipalities it was found that the attendance of members is very poor. Therefore strict control procedures for attendance should be put in place by the municipality and supporting documents should be kept for auditing purposed by the Auditor General.

G. Budget Related Policies 2015/16

1. **Credit Control and Debt Management Policy** - The implementation of this policy should be based on sound business practices. This includes credit worthiness checks when application for services is made, as well as debt collection through sanctions of warnings, disconnections, evictions and other legal processes.

2. **Supply Chain Management Policy** - The purpose of this manual is to prescribe the policies and procedures relating to Supply Chain Management of the Emakhazeni Municipality. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.

3. **Budget Management Policy** - The purpose of this policy is to provide an overview of the procedure for the structural process of Planning and Managing the Budget. The procedures include the development of budgets, including the preparation of the budget, revision, approval, monitoring and evaluation of budgetary performance for a financial year.

4. **Free basic service services and indigent support Policy** - to provide access and regulate free basic services to all indigent households.

5. **Tariff Policy** –the purpose of this policy is to determine the tariffs which must be charged for the supply of the four major services, which are : water, electricity, sewerage & refuse.

6. **Property Rates Policy** – the purpose of this policy is to assist the municipality to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which takes account of historical imbalances and the burden of rates on the poor. It be noted that the municipality is working on final draft.

7. **Asset Management Policy** – this policy provide guidelines on the management of assets. It must however be noted that the final policy which is GRAP compliant will be provided with the final approved budget as it is still work in progress.

8. **Receipt Policy –** this policy prescribes for the procedures for effective systems relating to receipting of municipal revenue received to ensure all municipal revenue is recorded for.

9. **Petty cash policy** – the purpose of this policy is to prescribe procedures for petty cash transaction.

10. **Banking and investment policy** – this policy prescribes for the management of cash and the investing of municipal money.

H. Community Consultations

SUMMARY OF ISSUES RAISED DURING THE VALUATION ROLL AND BUDGET 2015/2016
CONSULTATIVE MEETINGS HELD IN APRIL AND MAY 2015 WITH ALL WARDS WITH IN EMAKHAZENI

TOWN/ WARD	ISSUES RAISED	RESPONSE/PROGRESS
Ward 01, Siyathuthuka, 12 May 2015	• Member of extension 6 and 8 are concerned about the quality of their houses that need repairs. Related to Human Settlement	

	• The name Solomon Mahlangu is proposed as a name for Enkanini. • Since the basic electricity charge is new, it will need to be introduced in phases to allow for a public satisfaction and affordability. • Is basic electricity charge introduced by NERSA or the municipality? If by the municipality, further clarity and education on this charge is required. • No objections to 6% increase.	
Ward 02, Siyathuthuka, 29 April 2015	• Community member wanted to know how much is the 6% • Community member raised the issue of water readings as a challenge as in most cases they are not correct and the refuse is not collected properly as ,if there are any rubbish fell down from the dustbin, the refuse team does not bother to pick it up to the truck, they left it there. • Community member complained that there is no electricity at Enkanini, the water meter installed are leaking and stand are not divided properly. • Complaint that they have received SMS telling them to go and pay for services , but there are no services being rendered by the municipality at Enkanini	• Cllr responded by saying the 6% increase will be R12.62
Ward 03, Siyathuthuka, 28 April 2015	• What is a basic charge on electricity and who must pay it;' • Loud hailing must be done on a clear and understandable way. • What is the meaning of single	• The basic charge on the electricity is for the maintenance of the electricity network; • For those who cannot pay, they can apply for the indigent support which will be opened on the 4th of may 2015 until the 15th may 2015; • Loud hailing and notice of meetings shall be done using mediums and languages that they understand;

	phase on electricity; • What causes a balance to differ on the statement and the system. • The proposed increase on tariffs, what influenced it and is it for a single household or what? • Is the R223.01 on the proposed tariff increase the final amount that must be paid? • He proposed that the basic charge on electricity be the same as the one of basic water;	• Time will also be taken into account when calling meetings in future in order to cater for those who are working.
Ward 04, Sakhelwe, 05 May 2015	• All capital projects must have steering committee and CLO's appointed. Ward committee members must form part of the steering committees and make sure local people are employed.	
Ward 04, Dullstroom, 05 May 2015	• There was a concern on how such a huge Eskom debt can built up. • On whether the Dullstroom houses on conserving are included in the MIG project for 2015/16. • Community member is concerned is it 6% on the current tariff or on the valuation of properties. • Another commented that if the valuation is a reasonable then the tariffs would be correct whether high or low. • Mr. Gaynor is concerned that the budget exceeds the revenue asked if has the municipality calculated the total increase in the valuation and then calculate the new tariffs. • Mr. ST Clair analysis last year of 100 valuations for a 6-7% then 0042 should have been the increase to the tariffs. • Is the budget revenue based increase? • A comment was made to the effect that after the amalgamation there will be another adjustment. • The rate payers are fine with 6% increase on services • There was a concern that the electricity rates were not relevant to Dullstroom and so should be taken out of the budget for Dullstroom.	• MMC says that the equitable share has not been received by ELM • Technical department advised that ELM has requested for funding however MIG funding has restrictions on what infrastructure can be funded. It is restricted to basic services for the poor.

	• Comment that t the R 2 M budget should be should be shared equitably between Dullstroom and Sakhelwe.	
Ward 05, Emthonjeni, 05 May 2015	• Community member asked if the Municipality was charging anything for the Tombstone Installation and Commissioning? • Indicated that the rubbish is now being dumped into the stormwater channels as the Municipality is not picking-up and she also wanted to know why is this service not performed • Community member asked if the projects would increase in terms of their budget value as the case of Municipal Services Charges are increasing ? • Community member also indicated that she does not see the grave tariffs on the budget documents presented and requested that in future this be done. • That they be notified through a Loudhailing system in the case where a certain service would be either suspended or interrupted by a Municipality E.G Broken refuse truck that results in waste not being taken away for dumping. • Suggested that the tariff increase and the budget itself be accepted by the meeting attendees at it was the case of Machadodorp Municipal office`s meeting attendees	• Councillor answer yes. • Phasile Zwane and Lovemore Mathobela answered to say that the Municipal Refuse Truck was broken
Ward 06, Entokozeni, 05 May 2015	• 2014/2015 Rates being billed is illegal. • Since November 2012 households have been billed on the first R15,000 where they should not have been billed on the first R15,000 market value. When will this be corrected? • The new valuation roll is not available at the Library for inspection by the community. • Request that all the old notifications, valuation rolls etc be removed from Library so less the confusion of relevant documents. • Due to valuation roll not in the library at Machado, objects cannot be lodge to the	• Noted, will be communicated to CFO. • Noted, will be taken up with CFO to ensure that valuation roll is available at Machadodorp's library. • Noted • Noted, will be taken up with CFO to ensure that valuation roll is available at Machadodorp's library.

	municipality in terms of the valuation roll, which pose as a challenge. • Salary bill is too high for the municipality in relation to revenue • Rates and service charges increase of 6% and 12% are as expected, as the it is the same as last year and electricity is guided by NERSA. But electricity increase should be as per NERSA approved tariff for Emakhazeni. • Why are only conventional meter users paying for Basic electricity charges. Request that all users prepaid and conventional pay basic charges for electricity. • Prior year no capital projects were allocated for Entokozweni and also not for 2015/2016. Which projects and when will it be done for Entokozweni? • Why is Emakhazeni unable to pay Eskom, is it that salaries was paid from money received that was intended for Eskom?	• Noted • It is concluded that the increase on rates and services are accepted and noted that electricity tariff should be as NERSA approved tariff. • As from 2015/2016 Emakhazeni will be introducing basic electricity charges to prepaid meter users. • Noted
Ward 07, Emgwwenya, 05 May 2015	• That; a breakdown of total revenue & expenditure should be done and another meeting be arranged. • That; it be noted that the 12.2% Electricity increase for Consumption as per the NERSA guideline is too high for basic charge increase and therefore should be investigated. • That; an example of an account for Emgwenya Township should be made available in the next meeting for comparisons. • That; the 6% increase is too low taking into consideration the inflation rate which is at 5.3% and therefore an increase of 8% is recommended. • That; Emgwenya should be upgraded, taking into consideration that the municipality waited for WB Noka and as a result Emgwenya was left behind for five (5) years. • That; TRAC should pay something or fund projects for	

	Emgwenya for the negative effect caused by Toll gate on the economy of Emgwenya and therefore a meeting be arranged with TRAC, municipality & community. • That, the municipality should provide more information and the exact amount on the basic charge on pre-paid meters. • That; Comparisons of the two accounts of Emgwenya should be done. • That, the amount allocated by Nkangala District Municipality should be added on the capital expenditure. • That, it be noted that the R 3 000 000 for the paving of roads phase 2 Road 1 in Emgwenya is not enough. • That; in the next meeting all capital projects should be confirmed especially for Emgwenya. • That; projects should be reprioritized. • That; a breakdown on Nkangala District Municipality allocations especially for Emgwenya should be done. • That; regular meetings to discuss issues of Emgwenya should be arranged.	

I. PROVINCIAL TREASURY ASSESSMENT

On the 13th of May 2015 Provincial treasury presented their report on the assessment of the Draft Budget 2015/2016. The report is attached.

J. CONCLUSION

The MTREF Budget 2015/2016 is based on the assumption of 90% collection rate of consumer billing and therefore all revenue collection enhancement strategies should be put in place to ensure collection of consumer debtors, should collection rate decrease then it means the budgeted expenditure spending should automatically be decreased as no cash has been received and it will result in underperformance of SDBIPs as well as putting strain on daily service delivery to the community.

The MTREF for 2015/2016 – 2017/2018 has a deficit amounting to R 34 160 966 this is inclusive of non-cash items (depreciation, debt impairment and provisions) amounting to R 77,027,661

RECOMMENDATIONS BY THE CHIEF FINANCIAL OFFICER

1. **That;** the Medium Term Revenue and Expenditure Framework for 2015/16 – 2017/18 be approved with all budget tables; A1 to A10 Framework for 2015/16 – 2017/18
2. **That** the capital projects be approved.
3. **That** the tariffs for electricity be approved.
   Electricity (Consumption): 12.2%
   Electricity (Basic Charge on conventional meters): 6 %
   Electricity (Basic Charge on pre-paid meters)p/m: R50.00
4. **That** the tariffs for assessment rates be approved at a 6% increase which will be follows:

CATEGORY	**FACTOR**
Residential with the exclusion of the first R15 000 of assessed market value including government owned (Applicable to properties with a market value of R 100,000.00 and more)	0.0072
For properties less than R 100,000.00 market value a flat rate of R 680.00 per year (R56.67per month) will be charged	**Flat rate per Year 680.00**
Accommodation establishments	0.0083
Business and commercial including government owned	0.0230
Industrial and power stations	0.1890
Public service infrastructure	0.1900
Agricultural	0.0018
Vacant	0.0159
Mining	0.1965
Public benefits organisations	-
Schools including government/state owned	0.0230
Residential	0.0072
Commercial/industrial	0.0230
Privately owned roads/parks, subject to the stipulations of Section 17(2)(b) of Act 6 of 2004,	0.0072
Privately owned towns serviced by the owner	0.0047

5. **That** the following tariffs and tariff list be approved:
   Sewerage: 6 %
   Water (Consumption & Basic Charge): 6 %
   Cleansing: 6 %
   Other income: 6 %
6. **That** the 7% salary increase be approved.
7. **That** the following amended budget-related policies be approved and adopted for implementation from 1 July 2015:
   - Credit Control and Debt Management Policy
   - Supply Chain Management Policy
   - Budget Management Policy
   - Indigent Policy
   - Tariff Policy
   - Property Rates Policy
   - Asset Management Policy
   - Receipt Policy
   - Petty Cash Policy
   - Banking and investment Policy
8. **That** the Service Level standard be approved together with the budget as per Circular 75.
9. **That** the payment of Ward committee members stipends of R500.00 per member

per month be paid as from 1 July 2015 and procedures to control attendance of the members be put in place.

10. **That** the budget deficit with regards to non-cash items together with the Funding of the Budget plan be approved.
11. **That** all issues raised have been considered the Medium Term Revenue and Expenditure Framework for 2015/2016 – 2017/2018 be approved before the start of the financial year.
12. **That** The Accounting Officer must submit the SDBIP's for the 2015/2016 financial year which is linked to the budget 2015/2016 and approve it.
13. **That** The Executive Mayor ensures that the submitted performance agreements complies with the MFMA to ensure sound financial management, are linked to the operational plans and SDBIP's and concluded in accordance with section 57(2) of the Municipal Systems Act, as amended.
14. **That** the approved budget in both printed and electronic formats be submitted to National and Provincial Treasury.
15. **That** the approved budget be placed on the municipal website within five (5) working days from approval.
16. **That** the approved budget and supporting documentation with Council resolution be made public in terms of Section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) working days after Council approval.

1.4 OPERATING REVENUE FRAMEWORK

a) Operating revenue

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source									
Property rates	19,682	31,288	54,239	62,157	62,157	62,157	60,321	63,941	67,777
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	30,553	36,927	35,438	44,342	39,342	39,342	43,798	48,776	54,340
Service charges - water revenue	9,806	10,732	11,899	12,352	11,452	11,452	12,140	12,868	13,640
Service charges - sanitation revenue	6,783	7,255	7,702	8,273	8,273	8,273	8,770	9,296	9,853
Service charges - refuse revenue	6,495	7,332	7,806	8,487	8,487	8,487	8,996	9,536	10,108
Service charges - other		–	–	–	–	–	–		
Rental of facilities and equipment	770	529	435	444	418	418	437	463	491
Interest earned - external investments	104	464	218	216	264	264	216	229	243
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–
Fines	5,142	5,483	9,207	5,401	5,250	5,250	5,556	5,890	6,243
Licences and permits	37	32	23	33	7	7	7	7	8
Agency services	2,406	2,568	2,794	2,384	2,010	2,010	2,384	2,527	2,679
Transfers recognised - operational	34,350	38,881	41,975	46,402	46,402	46,402	52,305	56,367	60,452
Other revenue	1,101	1,946	17,241	1,070	771	771	4,867	827	877
Gains on disposal of PPE		–	8	204	204	204	54	54	54
Total Revenue (excluding capital transfers and contributions)	**117,230**	**143,435**	**188,988**	**191,766**	**185,039**	**185,039**	**199,851**	**210,781**	**226,765**
Transfers recognised - capital	8,515	15,336	13,322	17,232	17,232	17,232	17,755	18,306	19,131
Contributions recognised - capital	–	–	–	–	–	–	–	–	–
Contributed assets	3,959	22,852	–	–	–	–	17,900	–	–
Total Revenue (including capital transfers and contributions)	**117,230**	**143,435**	**188,988**	**191,766**	**185,039**	**185,039**	**199,851**	**210,781**	**226,765**

b) Grants

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:									
Operating Transfers and Grants									
National Government:	**34,335**	**38,881**	**41,975**	**46,249**	**46,249**	**46,249**	**52,305**	**56,367**	**60,452**
Local Government Equitable Share	31,562	35,648	38,535	42,280	42,280	42,280	48,486	51,585	54,519
Finance Management	1,250	1,500	1,550	1,800	1,800	1,800	1,800	1,825	1,900
Municipal Systems Improvement	790	800	890	934	934	934	930	957	1,033
EPWP Incentive	391	933	1,000	1,235	1,235	1,235	1,089	–	–
Integrated National Electrification Programme	342	–	–	–	–	–	–	2,000	3,000
Provincial Government:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
District Municipality:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:	**–**	**–**	**–**	**153**	**153**	**153**	**–**	**–**	**–**
LGSETA				153	153	153	–	–	–
Total Operating Transfers and Grants	**34,335**	**38,881**	**41,975**	**46,402**	**46,402**	**46,402**	**52,305**	**56,367**	**60,452**
Capital Transfers and Grants									
National Government:	**8,516**	**15,336**	**13,322**	**17,232**	**17,232**	**17,232**	**17,755**	**18,306**	**19,131**
Municipal Infrastructure Grant (MIG)	8,516	15,336	13,322	17,232	17,232	17,232	17,755	18,306	19,131
Provincial Government:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
District Municipality:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Transfers and Grants	**8,516**	**15,336**	**13,322**	**17,232**	**17,232**	**17,232**	**17,755**	**18,306**	**19,131**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**42,851**	**54,217**	**55,297**	**63,634**	**63,634**	**63,634**	**70,060**	**74,673**	**79,583**

1.5 OPERATING EXPENDITURE FRAMEWORK

a) Operating expenditure

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type									
Employee related costs	49,965	58,653	60,499	78,916	78,916	78,916	82,500	87,017	91,621
Remuneration of councillors	4,256	4,507	4,812	5,109	5,109	5,109	5,442	5,768	6,114
Debt impairment	8,110	(8,742)	31,225	9,190	9,190	9,190	17,709	18,772	19,898
Depreciation & asset impairment	48,037	45,060	49,320	50,980	50,980	50,980	51,487	51,999	52,516
Finance charges	1,061	1,256	2,162	1,537	1,937	1,937	2,053	2,176	2,307
Bulk purchases	29,844	29,281	34,256	40,770	40,770	40,770	46,575	53,208	60,784
Other materials	5,706	6,454	4,129	10,286	6,135	6,135	6,141	6,264	6,389
Contracted services	2,150	2,702	3,548	3,474	4,174	4,174	5,325	5,432	5,540
Transfers and grants	–	–	–	–	–	–	–	–	–
Other expenditure	32,610	49,137	33,313	33,063	32,605	32,605	34,410	34,300	35,415
Loss on disposal of PPE		–	–	–	–	–	–	–	–
Total Expenditure	**181,740**	**188,308**	**223,265**	**233,323**	**229,816**	**229,816**	**251,643**	**264,935**	**280,586**

b) Grants

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	**34,335**	**38,881**	**41,975**	**46,249**	**46,249**	**46,249**	**52,305**	**56,367**	**60,452**
Local Government Equitable Share	31,562	35,648	38,535	42,280	42,280	42,280	48,486	51,585	54,519
Finance Management	1,250	1,500	1,550	1,800	1,800	1,800	1,800	1,825	1,900
Municipal Systems Improvement	790	800	890	934	934	934	930	957	1,033
EPWP Incentive	342	933	1,000	1,235	1,235	1,235	1,089	–	–
Integrated National Electrification Programme	391	–	–	–			–	2,000	3,000
Provincial Government:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
District Municipality:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:	**–**	**–**	**–**	**153**	**153**	**153**	**–**	**–**	**–**
LGSETA				153	153	153			
Total operating expenditure of Transfers and Grants:	**34,335**	**38,881**	**41,975**	**46,402**	**46,402**	**46,402**	**52,305**	**56,367**	**60,452**
Capital expenditure of Transfers and Grants									
National Government:	**8,516**	**15,336**	**13,644**	**17,232**	**17,232**	**17,232**	**17,755**	**18,306**	**19,131**
Municipal Infrastructure Grant (MIG)	8,516	15,336	13,644	17,232	17,232	17,232	17,755	18,306	19,131
Provincial Government:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
District Municipality:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other grant providers:	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total capital expenditure of Transfers and Grants	**8,516**	**15,336**	**13,644**	**17,232**	**17,232**	**17,232**	**17,755**	**18,306**	**19,131**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**42,851**	**54,217**	**55,619**	**63,634**	**63,634**	**63,634**	**70,060**	**74,673**	**79,583**

1.6 CAPITAL EXPENDITURE

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard									
Governance and administration	**9,158**	**15,928**	**18,853**	**16,637**	**16,481**	**16,481**	**35,153**	**17,784**	**18,576**
Executive and council	9,006	15,928	18,798	16,386	16,386	16,386	34,767	17,391	18,174
Budget and treasury office	152	–	24	30	30	30	200	204	208
Corporate services	–	–	30	221	65	65	186	190	194
Community and public safety	**3,959**	**5,601**	**2,682**	**97**	**175**	**175**	**89**	**91**	**93**
Community and social services	–	5,051	–	10	–		24	24	25
Sport and recreation	–	–	–	20	120	120	30	31	31
Public safety	3,959	550	2,682	42	30	30	35	36	36
Housing	–	–	–	–	–		–	–	–
Health		–	–	25	25	25	–	–	–
Economic and environmental services	**131**	**17**	**17**	**33**	**15**	**15**	**83**	**84**	**86**
Planning and development	131	–	–	23	5	5	–	–	–
Road transport		17	17	10	10	10	83	84	86
Environmental protection	–	–	–	–	–		–	–	–
Trading services	**8,809**	**13,405**	**189**	**500**	**200**	**200**	**600**	**2,612**	**3,624**
Electricity	–	1,824	70	400	–		200	2,204	3,208
Water	71	5,893	119	100	–		200	204	208
Waste water management	0	5,688	–	–	200	200	200	204	208
Waste management	8,738	–	–	–	–		–	–	–
Other	–	–	–	–	200	200	–	–	–
Total Capital Expenditure - Standard	**22,057**	**34,951**	**21,741**	**17,267**	**17,072**	**17,072**	**35,925**	**20,572**	**22,379**

1.7 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY

MP314 Emakhazeni - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Financial Performance										
Property rates	**19 682**	31 288	54 239	62 157	62 157	62 157	62 157	60 321	63 941	67 777
Service charges	53 638	62 245	62 846	73 455	67 555	67 555	67 555	73 703	80 476	87 941
Investment revenue	104	464	218	216	264	264	264	216	229	243
Transfers recognised - operational	34 350	38 881	41 975	46 402	46 402	46 402	46 402	52 305	56 367	60 452
Other own revenue	9 455	10 558	29 710	9 536	8 661	8 661	8 661	13 306	9 769	10 352
Total Revenue (excluding capital transfers and contributions)	117 230	143 435	188 988	191 766	185 039	185 039	185 039	199 851	210 781	226 765
Employee costs	49 965	58 653	60 499	78 916	78 916	78 916	78 916	82 500	87 017	91 621
Remuneration of councillors	4 256	4 507	4 812	5 109	5 109	5 109	5 109	5 442	5 768	6 114
Depreciation & asset impairment	48 037	45 060	49 320	50 980	50 980	50 980	50 980	51 487	51 999	52 516
Finance charges	1 061	1 256	2 162	1 537	1 937	1 937	1 937	2 053	2 176	2 307
Materials and bulk purchases	35 550	35 735	38 385	51 055	46 905	46 905	46 905	52 717	59 472	67 174
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	42 871	43 097	68 087	45 727	45 969	45 969	45 969	57 444	58 503	60 854
Total Expenditure	181 740	188 308	223 265	233 323	229 816	229 816	229 816	251 643	264 935	280 586
Surplus/(Deficit)	(64 510)	(44 873)	(34 278)	(41 557)	(44 777)	(44 777)	(44 777)	(51 791)	(54 153)	(53 821)
Transfers recognised - capital	8 515	15 336	13 322	17 232	17 232	17 232	17 232	17 755	18 306	19 131
Contributions recognised - capital & contributed assets	3 959	22 852	–	–	–	–	–	17 900	–	–
Surplus/(Deficit) after capital transfers & contributions	(52 036)	(6 685)	(20 956)	(24 325)	(27 545)	(27 545)	(27 545)	(16 136)	(35 847)	(34 690)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(52 036)	(6 685)	(20 956)	(24 325)	(27 545)	(27 545)	(27 545)	(16 136)	(35 847)	(34 690)
Capital expenditure & funds sources										
Capital expenditure	**22 057**	34 951	21 741	17 267	17 072	17 072	17 072	35 925	20 572	22 379
Transfers recognised - capital	**12 923**	34 547	21 329	16 370	16 370	16 370	16 370	34 767	19 391	21 174
Public contributions & donations	**–**	–	–	–	–	–	–	–	–	–
Borrowing	**–**	–	–	–	–	–	–	–	–	–
Internally generated funds	**9 134**	404	413	897	701	701	701	1 158	1 181	1 204
Total sources of capital funds	**22 057**	34 951	21 741	17 267	17 072	17 072	17 072	35 925	20 572	22 379
Financial position										
Total current assets	**24 420**	54 576	63 579	61 306	61 306	61 306	61 306	113 346	150 000	137 746
Total non current assets	**557 779**	532 431	504 923	514 340	514 340	514 340	514 340	493 924	444 596	414 716
Total current liabilities	**84 227**	88 600	95 219	36 554	36 554	36 554	36 554	83 225	86 406	89 718
Total non current liabilities	**11 511**	40 166	40 916	45 094	45 094	45 094	45 094	44 416	47 234	50 101
Community wealth/Equity	**486 462**	458 240	432 368	493 998	493 998	493 998	493 998	479 630	460 956	412 642
Cash flows										
Net cash from (used) operating	**2 790**	15 794	20 008	35 641	32 421	32 421	32 421	56 061	18 083	41 077
Net cash from (used) investing	**2 237**	(12 695)	(1 859)	(17 063)	(17 063)	(17 063)	(17 063)	(35 871)	(20 518)	(22 325)
Net cash from (used) financing	**(849)**	(101)	75	(62)	(62)	(62)	(62)	55	–	–
Cash/cash equivalents at the year end	**(27 647)**	(24 648)	61 694	(21 364)	(24 584)	(24 584)	(24 584)	20 745	18 310	37 063
Cash backing/surplus reconciliation										
Cash and investments available	**3 025**	6 023	4 290	1 650	1 650	1 650	1 650	6 234	3 487	3 487
Application of cash and investments	**7 264**	(30 870)	132 224	(56 792)	(59 521)	(59 521)	(59 521)	6 200	3 448	3 456
Balance - surplus (shortfall)	**(4 239)**	36 893	(127 934)	58 442	61 171	61 171	61 171	34	39	31
Asset management										
Asset register summary (WDV)	**557 779**	532 431	504 847	514 340	514 340	514 340	493 848	493 848	444 520	414 640
Depreciation & asset impairment	**48 037**	45 060	49 320	50 980	50 980	50 980	51 487	51 487	51 999	52 516
Renewal of Existing Assets	**–**	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	**–**	–	–	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided	**3 206**	2 956	–	2 876	2 876	2 876	–	–	–	–
Revenue cost of free services provided	**10 606**	8 555	–	8 692	8 692	8 692	–	–	–	–
Households below minimum service level										
Water:	1	0	–	3 000	3 000	3 000	–	–	–	–
Sanitation/sewerage:	3	2	–	3 258	3 258	3 258	–	–	–	–
Energy:	2	2	–	–	–	–	–	–	–	–
Refuse:	3	3	4	4	4	4	4	4	4	4

MP314 Emakhazeni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard										
Governance and administration		**62,843**	**108,863**	**120,648**	**125,340**	**125,383**	**125,383**	**152,068**	**137,450**	**145,247**
Executive and council		42,285	76,535	119,574	62,331	62,331	62,331	91,048	72,768	76,684
Budget and treasury office		20,558	32,328	1,074	62,856	62,898	62,898	61,020	64,681	68,562
Corporate services		–	–	–	153	153	153	–	–	–
Community and public safety		**4,138**	**463**	**3,093**	**169**	**134**	**134**	**122**	**130**	**137**
Community and social services		72	77	88	68	87	87	72	77	81
Sport and recreation		87	104	112	96	47	47	50	53	56
Public safety		3,979	283	2,892	5	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**8,084**	**9,143**	**13,171**	**9,419**	**8,864**	**8,864**	**9,258**	**8,656**	**9,172**
Planning and development		511	1,078	1,167	1,601	1,601	1,601	1,315	236	247
Road transport		7,573	8,065	12,004	7,818	7,263	7,263	7,943	8,419	8,925
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**54,639**	**63,154**	**65,399**	**74,070**	**67,890**	**67,890**	**74,058**	**82,852**	**91,340**
Electricity		31,520	37,797	35,865	44,900	39,639	39,639	44,112	51,109	57,693
Water		9,822	10,746	14,005	12,380	11,475	11,475	12,163	12,893	13,666
Waste water management		6,513	7,272	7,721	8,304	8,289	8,289	8,787	9,314	9,873
Waste management		6,784	7,337	7,807	8,487	8,487	8,487	8,996	9,536	10,108
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Standard	2	**129,704**	**181,623**	**202,310**	**208,998**	**202,271**	**202,271**	**235,506**	**229,087**	**245,896**
Expenditure - Standard										
Governance and administration		**102,231**	**85,492**	**128,401**	**119,815**	**118,712**	**118,712**	**130,787**	**135,173**	**139,819**
Executive and council		76,495	59,651	100,191	35,457	35,751	35,751	45,700	48,019	50,554
Budget and treasury office		13,745	17,796	17,488	73,606	72,292	72,292	73,549	75,060	76,604
Corporate services		11,991	8,045	10,721	10,752	10,669	10,669	11,538	12,094	12,661
Community and public safety		**10,244**	**11,853**	**7,532**	**9,430**	**9,048**	**9,048**	**9,093**	**9,561**	**10,037**
Community and social services		4,396	4,992	1,629	2,182	2,142	2,142	2,336	2,458	2,583
Sport and recreation		3,286	3,482	3,679	4,284	4,236	4,236	4,690	4,940	5,195
Public safety		1,052	1,557	1,499	1,910	1,818	1,818	1,957	2,050	2,146
Housing		–	–	–	–	–	–	–	–	–
Health		1,510	1,821	725	1,054	852	852	110	112	114
Economic and environmental services		**17,034**	**17,761**	**25,801**	**31,324**	**31,392**	**31,392**	**33,458**	**33,826**	**35,310**
Planning and development		8,181	8,583	9,940	15,765	15,255	15,255	15,738	15,429	16,223
Road transport		8,853	9,178	15,861	15,559	16,137	16,137	17,720	18,397	19,087
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**51,715**	**72,584**	**60,968**	**71,734**	**69,669**	**69,669**	**77,244**	**85,255**	**94,241**
Electricity		33,899	35,410	38,108	47,074	46,159	46,159	52,419	59,295	67,121
Water		5,503	6,788	8,574	7,423	6,943	6,943	7,313	7,670	8,039
Waste water management		4,710	5,247	5,521	7,011	6,551	6,551	6,771	7,093	7,421
Waste management		7,603	25,139	8,765	10,226	10,016	10,016	10,741	11,197	11,662
Other	4	**516**	**618**	**564**	**1,020**	**994**	**994**	**1,061**	**1,119**	**1,178**
Total Expenditure - Standard	3	**181,740**	**188,308**	**223,265**	**233,323**	**229,816**	**229,816**	**251,643**	**264,935**	**280,586**
Surplus/(Deficit) for the year		**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**

MP314 Emakhazeni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		42,285	76,535	119,574	62,331	62,331	62,331	91,048	72,768	76,684
Vote 2 - FINANCE & ADMIN		20,558	32,328	1,074	63,009	63,052	63,052	61,020	64,681	68,562
Vote 3 - PLANNING & DEVELOPMENT		511	1,078	1,167	1,601	1,601	1,601	1,315	236	247
Vote 4 - HEALTH		–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		72	77	88	68	87	87	72	77	81
Vote 6 - PUBLIC SAFETY		3,979	283	2,892	5	–	–	–	–	–
Vote 7 - SPORT & RECREATION		87	104	112	96	47	47	50	53	56
Vote 8 - WASTE MANAGEMENT		6,784	7,337	7,807	8,487	8,487	8,487	8,996	9,536	10,108
Vote 9 - WASTE WATER MANAGEMENT		6,513	7,272	7,721	8,304	8,289	8,289	8,787	9,314	9,873
Vote 10 - ROAD TRANSPORT		7,573	8,065	12,004	7,818	7,263	7,263	7,943	8,419	8,925
Vote 11 - WATER		9,822	10,746	14,005	12,380	11,475	11,475	12,163	12,893	13,666
Vote 12 - ELECTRICITY		31,520	37,797	35,865	44,900	39,639	39,639	44,112	51,109	57,693
Vote 13 - OTHER		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**129,704**	**181,623**	**202,310**	**208,998**	**202,271**	**202,271**	**235,506**	**229,087**	**245,896**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - EXECUTIVE & COUNCIL		76,495	59,651	100,191	35,457	35,751	35,751	45,700	48,019	50,554
Vote 2 - FINANCE & ADMIN		25,736	25,841	28,209	84,358	82,962	82,962	85,087	87,154	89,265
Vote 3 - PLANNING & DEVELOPMENT		8,181	8,583	9,940	15,765	15,255	15,255	15,738	15,429	16,223
Vote 4 - HEALTH		1,510	1,821	725	1,054	852	852	110	112	114
Vote 5 - COMMUNITY & SOCIAL SERVICES		4,396	4,992	1,629	2,182	2,142	2,142	2,336	2,458	2,583
Vote 6 - PUBLIC SAFETY		1,052	1,557	1,499	1,910	1,818	1,818	1,957	2,050	2,146
Vote 7 - SPORT & RECREATION		3,286	3,482	3,679	4,284	4,236	4,236	4,690	4,940	5,195
Vote 8 - WASTE MANAGEMENT		7,603	25,139	8,765	10,226	10,016	10,016	10,741	11,197	11,662
Vote 9 - WASTE WATER MANAGEMENT		4,710	5,247	5,521	7,011	6,551	6,551	6,771	7,093	7,421
Vote 10 - ROAD TRANSPORT		8,853	9,178	15,861	15,559	16,137	16,137	17,720	18,397	19,087
Vote 11 - WATER		5,503	6,788	8,574	7,423	6,943	6,943	7,313	7,670	8,039
Vote 12 - ELECTRICITY		33,899	35,410	38,108	47,074	46,159	46,159	52,419	59,295	67,121
Vote 13 - OTHER		516	618	564	1,020	994	994	1,061	1,119	1,178
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**181,740**	**188,308**	**223,265**	**233,323**	**229,816**	**229,816**	**251,643**	**264,935**	**280,586**
Surplus/(Deficit) for the year	2	**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**

MP314 Emakhazeni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source											
Property rates	2	19,682	31,288	54,239	62,157	62,157	62,157	62,157	60,321	63,941	67,777
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	30,553	36,927	35,438	44,342	39,342	39,342	39,342	43,798	48,776	54,340
Service charges - water revenue	2	9,806	10,732	11,899	12,352	11,452	11,452	11,452	12,140	12,868	13,640
Service charges - sanitation revenue	2	6,783	7,255	7,702	8,273	8,273	8,273	8,273	8,770	9,296	9,853
Service charges - refuse revenue	2	6,495	7,332	7,806	8,487	8,487	8,487	8,487	8,996	9,536	10,108
Service charges - other			–	–	–	–	–	–	–		
Rental of facilities and equipment		770	529	435	444	418	418	418	437	463	491
Interest earned - external investments		104	464	218	216	264	264	264	216	229	243
Interest earned - outstanding debtors			–	–	–	–	–	–	–	–	–
Dividends received			–	–	–	–	–	–	–	–	–
Fines		5,142	5,483	9,207	5,401	5,250	5,250	5,250	5,556	5,890	6,243
Licences and permits		37	32	23	33	7	7	7	7	7	8
Agency services		2,406	2,568	2,794	2,384	2,010	2,010	2,010	2,384	2,527	2,679
Transfers recognised - operational		34,350	38,881	41,975	46,402	46,402	46,402	46,402	52,305	56,367	60,452
Other revenue	2	1,101	1,946	17,241	1,070	771	771	771	4,867	827	877
Gains on disposal of PPE			–	8	204	204	204	204	54	54	54
Total Revenue (excluding capital transfers and contributions)		**117,230**	**143,435**	**188,988**	**191,766**	**185,039**	**185,039**	**185,039**	**199,851**	**210,781**	**226,765**
Expenditure By Type											
Employee related costs	2	49,965	58,653	60,499	78,916	78,916	78,916	78,916	82,500	87,017	91,621
Remuneration of councillors		4,256	4,507	4,812	5,109	5,109	5,109	5,109	5,442	5,768	6,114
Debt impairment	3	8,110	(8,742)	31,225	9,190	9,190	9,190	9,190	17,709	18,772	19,898
Depreciation & asset impairment	2	48,037	45,060	49,320	50,980	50,980	50,980	50,980	51,487	51,999	52,516
Finance charges		1,061	1,256	2,162	1,537	1,937	1,937	1,937	2,053	2,176	2,307
Bulk purchases	2	29,844	29,281	34,256	40,770	40,770	40,770	40,770	46,575	53,208	60,784
Other materials	8	5,706	6,454	4,129	10,286	6,135	6,135	6,135	6,141	6,264	6,389
Contracted services		2,150	2,702	3,548	3,474	4,174	4,174	4,174	5,325	5,432	5,540
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	32,610	49,137	33,313	33,063	32,605	32,605	32,605	34,410	34,300	35,415
Loss on disposal of PPE			–	–	–	–	–	–	–	–	–
Total Expenditure		**181,740**	**188,308**	**223,265**	**233,323**	**229,816**	**229,816**	**229,816**	**251,643**	**264,935**	**280,586**
Surplus/(Deficit)		**(64,510)**	**(44,873)**	**(34,278)**	**(41,557)**	**(44,777)**	**(44,777)**	**(44,777)**	**(51,791)**	**(54,153)**	**(53,821)**
Transfers recognised - capital		8,515	15,336	13,322	17,232	17,232	17,232	17,232	17,755	18,306	19,131
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets		3,959	22,852	–	–	–	–	–	17,900	–	–
Surplus/(Deficit) after capital transfers & contributions		**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**
Taxation											
Surplus/(Deficit) after taxation		**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		**(52,036)**	**(6,685)**	**(20,956)**	**(24,325)**	**(27,545)**	**(27,545)**	**(27,545)**	**(16,136)**	**(35,847)**	**(34,690)**

MP314 Emakhazeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE & COUNCIL		–	–	–	–	–	–	–	–	–	–
Vote 2 - FINANCE & ADMIN		–	–	–	–	–	–	–	–	–	–
Vote 3 - PLANNING & DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 4 - HEALTH		–	–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 7 - SPORT & RECREATION		–	–	–	–	–	–	–	–	–	–
Vote 8 - WASTE MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 9 - WASTE WATER MANAGEMENT		–	–	–	–	–	–	–	–	–	–
Vote 10 - ROAD TRANSPORT		–	–	–	–	–	–	–	–	–	–
Vote 11 - WATER		–	–	–	–	–	–	–	–	–	–
Vote 12 - ELECTRICITY		–	–	–	–	–	–	–	–	–	–
Vote 13 - OTHER		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Single-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE & COUNCIL		9,006	15,928	18,798	16,386	16,386	16,386	–	34,767	17,391	18,174
Vote 2 - FINANCE & ADMIN		152	–	55	251	95	95	–	386	394	402
Vote 3 - PLANNING & DEVELOPMENT		131	–	–	23	5	5	–	–	–	–
Vote 4 - HEALTH		–	–	–	25	25	25	–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	5,051	–	10	–	–	–	24	24	25
Vote 6 - PUBLIC SAFETY		3,959	550	2,682	42	30	30	–	35	36	36
Vote 7 - SPORT & RECREATION		–	–	–	20	120	120	–	30	31	31
Vote 8 - WASTE MANAGEMENT		8,738	–	–	–	–	–	–	–	–	–
Vote 9 - WASTE WATER MANAGEMENT		0	5,688	–	–	200	200	–	200	204	208
Vote 10 - ROAD TRANSPORT		–	17	17	10	10	10	–	83	84	86
Vote 11 - WATER		71	5,893	119	100	–	–	–	200	204	208
Vote 12 - ELECTRICITY		–	1,824	70	400	–	–	–	200	2,204	3,208
Vote 13 - OTHER		–	–	–	–	200	200	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**22,057**	**34,951**	**21,741**	**17,267**	**17,072**	**17,072**	**–**	**35,925**	**20,572**	**22,379**
Total Capital Expenditure - Vote		**22,057**	**34,951**	**21,741**	**17,267**	**17,072**	**17,072**	**–**	**35,925**	**20,572**	**22,379**
Capital Expenditure - Standard											
Governance and administration		**9,158**	**15,928**	**18,853**	**16,637**	**16,481**	**16,481**	**16,481**	**35,153**	**17,784**	**18,576**
Executive and council		9,007	15,928	18,798	16,386	16,386	16,386	16,386	34,767	17,391	18,174
Budget and treasury office		152	–	24	30	30	30	30	200	204	208
Corporate services		–	–	30	221	65	65	65	186	190	194
Community and public safety		**3,959**	**5,601**	**2,682**	**97**	**175**	**175**	**175**	**89**	**91**	**93**
Community and social services		–	5,051	–	10	–	–		24	24	25
Sport and recreation		–	–	–	20	120	120	120	30	31	31
Public safety		3,959	550	2,682	42	30	30	30	35	36	36
Housing		–	–	–	–	–	–		–	–	–
Health			–	–	25	25	25	25	–	–	–
Economic and environmental services		**131**	**17**	**17**	**33**	**15**	**15**	**15**	**83**	**84**	**86**
Planning and development		131	–	–	23	5	5	5	–	–	–
Road transport			17	17	10	10	10	10	83	84	86
Environmental protection		–	–	–	–	–	–		–	–	–
Trading services		**8,808**	**13,405**	**189**	**500**	**200**	**200**	**200**	**600**	**2,612**	**3,624**
Electricity		–	1,824	70	400	–	–		200	2,204	3,208
Water		71	5,893	119	100	–	–		200	204	208
Waste water management		–	5,688	–	–	200	200	200	200	204	208
Waste management		8,738	–	–	–	–	–		–	–	–
Other		–	–	–	–	200	200	200	–	–	–
Total Capital Expenditure - Standard	3	**22,057**	**34,951**	**21,741**	**17,267**	**17,072**	**17,072**	**17,072**	**35,925**	**20,572**	**22,379**
Funded by:											
National Government		8,964	12,779	11,080	16,370	16,370	16,370	16,370	16,867	19,391	21,174
Provincial Government											
District Municipality		3,959	21,768	10,249					17,900		
Other transfers and grants											
Transfers recognised - capital	4	**12,923**	**34,547**	**21,329**	**16,370**	**16,370**	**16,370**	**16,370**	**34,767**	**19,391**	**21,174**
Public contributions & donations	5				–	–	–				
Borrowing	6			–	–	–	–				
Internally generated funds		9,134	404	413	897	701	701	701	1,158	1,181	1,204
Total Capital Funding	7	**22,057**	**34,951**	**21,741**	**17,267**	**17,072**	**17,072**	**17,072**	**35,925**	**20,572**	**22,379**

MP314 Emakhazeni - Table A6 Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
ASSETS											
Current assets											
Cash		361	484	277	150	150	150	150	290	290	290
Call investment deposits	1	2 665	5 540	4 013	1 500	1 500	1 500	1 500	5 944	3 197	3 197
Consumer debtors	1	18 802	44 714	54 588	56 508	56 508	56 508	56 508	103 707	143 085	130 832
Other debtors		2 161	2 079	2 551	2 013	2 013	2 013	2 013	1 213	1 213	1 213
Current portion of long-term receivables		–	–	–	–	–	–		–	–	–
Inventory	2	432	1 760	2 150	1 135	1 135	1 135	1 135	2 193	2 215	2 215
Total current assets		**24 420**	**54 576**	**63 579**	**61 306**	**61 306**	**61 306**	**61 306**	**113 346**	**150 000**	**137 746**
Non current assets											
Long-term receivables		–	–	–	–	–	–		–	–	–
Investments		–	–	–	–	–	–		–	–	–
Investment property		26 976	34 756	34 710	34 321	34 321	34 321	34 321	32 350	29 805	27 234
Investment in Associate		–	–	–	–	–	–		–	–	–
Property, plant and equipment	3	529 975	497 047	469 614	479 531	479 531	479 531	479 531	461 235	414 712	387 406
Agricultural		–	–	–	–	–	–		–	–	–
Biological		–	–	–	–	–	–		–	–	–
Intangible		828	627	523	488	488	488	488	263	3	–
Other non-current assets		–	–	76	–	–	–		76	76	76
Total non current assets		**557 779**	**532 431**	**504 923**	**514 340**	**514 340**	**514 340**	**514 340**	**493 924**	**444 596**	**414 716**
TOTAL ASSETS		**582 200**	**587 006**	**568 502**	**575 646**	**575 646**	**575 646**	**575 646**	**607 270**	**594 596**	**552 461**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–		–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		1 636	1 535	1 609	1 554	1 554	1 554	1 554	1 609	1 609	1 609
Trade and other payables	4	82 590	87 066	93 610	35 000	35 000	35 000	35 000	81 615	84 797	88 109
Provisions		–	–	–	–	–	–		–	–	–
Total current liabilities		**84 227**	**88 600**	**95 219**	**36 554**	**36 554**	**36 554**	**36 554**	**83 225**	**86 406**	**89 718**
Non current liabilities											
Borrowing		–	–	(0)	–	–	–	–	–	–	–
Provisions		11 511	40 166	40 916	45 094	45 094	45 094	45 094	44 416	47 234	50 101
Total non current liabilities		**11 511**	**40 166**	**40 916**	**45 094**	**45 094**	**45 094**	**45 094**	**44 416**	**47 234**	**50 101**
TOTAL LIABILITIES		**95 738**	**128 766**	**136 134**	**81 648**	**81 648**	**81 648**	**81 648**	**127 640**	**133 640**	**139 819**
NET ASSETS	5	**486 462**	**458 240**	**432 368**	**493 998**	**493 998**	**493 998**	**493 998**	**479 630**	**460 956**	**412 642**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		486 462	458 240	432 368	493 998	493 998	493 998	493 998	479 630	460 956	412 642
Reserves	4	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	**486 462**	**458 240**	**432 368**	**493 998**	**493 998**	**493 998**	**493 998**	**479 630**	**460 956**	**412 642**

MP314 Emakhazeni - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		86 734	104 091	134 098	62 157	62 157	62 157	62 157	62 071	65 795	69 743
Service charges					73 455	67 555	67 555	67 555	75 422	62 298	89 873
Other revenue					9 332	8 457	8 457	8 457	30 715	9 252	9 807
Government - operating	1	34 350	38 881	41 975	46 402	46 402	46 402	46 402	52 305	54 367	57 452
Government - capital	1	8 515	15 336	13 322	17 232	17 232	17 232	17 232	17 755	20 306	22 131
Interest		104	464	218	216	264	264	264	216	229	243
Dividends									–	–	–
Payments											
Suppliers and employees		(125 853)	(141 720)	(167 444)	(171 617)	(167 709)	(167 709)	(167 709)	(180 370)	(191 987)	(205 865)
Finance charges		(1 061)	(1 256)	(2 162)	(1 537)	(1 937)	(1 937)	(1 937)	(2 053)	(2 176)	(2 307)
Transfers and Grants	1	–	–	–	–	–	–		–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 790**	**15 794**	**20 008**	**35 641**	**32 421**	**32 421**	**32 421**	**56 061**	**18 083**	**41 077**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	8	204	204	204	204	54	54	54
Decrease (Increase) in non-current debtors		–	–	–	–	–	–		–	–	–
Decrease (increase) other non-current receivables		24 294	22 256		–	–	–		–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–		–	–	–
Payments											
Capital assets		(22 057)	(34 951)	(1 867)	(17 267)	(17 267)	(17 267)	(17 267)	(35 925)	(20 572)	(22 379)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**2 237**	**(12 695)**	**(1 859)**	**(17 063)**	**(17 063)**	**(17 063)**	**(17 063)**	**(35 871)**	**(20 518)**	**(22 325)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		132	(101)	75	(62)	(62)	(62)	(62)	55	–	–
Payments											
Repayment of borrowing		(981)		(0)	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(849)**	**(101)**	**75**	**(62)**	**(62)**	**(62)**	**(62)**	**55**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**4 177**	**2 998**	**18 224**	**18 515**	**15 295**	**15 295**	**15 295**	**20 245**	**(2 434)**	**18 752**
Cash/cash equivalents at the year begin:	2	**(31 824)**	**(27 647)**	**43 470**	**(39 879)**	**(39 879)**	**(39 879)**	**(39 879)**	**500**	**20 745**	**18 310**
Cash/cash equivalents at the year end:	2	**(27 647)**	**(24 648)**	**61 694**	**(21 364)**	**(24 584)**	**(24 584)**	**(24 584)**	**20 745**	**18 310**	**37 063**

MP314 Emakhazeni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available											
Cash/cash equivalents at the year end	1	(27 647)	(24 648)	61 694	(21 364)	(24 584)	(24 584)	(24 584)	20 745	18 310	37 063
Other current investments > 90 days		30 672	30 672	(57 404)	23 014	26 234	26 234	26 234	(14 511)	(14 823)	(33 576)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**3 025**	**6 023**	**4 290**	**1 650**	**1 650**	**1 650**	**1 650**	**6 234**	**3 487**	**3 487**
Application of cash and investments											
Unspent conditional transfers		11 448	11 161	(0)	1 000	1 000	1 000	1 000	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	(1 362)	582	–	2 729	–	–	–	6 894	6 894	6 894
Other working capital requirements	3	43 978	23 332	132 224	(39 521)	(39 521)	(39 521)	(39 521)	(45 109)	(50 679)	(53 539)
Other provisions		(46 800)	(65 944)	–	(21 000)	(21 000)	(21 000)	(21 000)	44 416	47 234	50 101
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**7 264**	**(30 870)**	**132 224**	**(56 792)**	**(59 521)**	**(59 521)**	**(59 521)**	**6 200**	**3 448**	**3 456**
Surplus(shortfall)		**(4 239)**	**36 893**	**(127 934)**	**58 442**	**61 171**	**61 171**	**61 171**	**34**	**39**	**31**

MP314 Emakhazeni - Table A9 Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CAPITAL EXPENDITURE										
Total New Assets	1	**22 057**	**34 951**	**21 741**	**17 267**	**17 072**	**17 072**	**35 925**	**20 572**	**22 379**
Infrastructure - Road transport		–	2	–	–	–	–	6 000	–	–
Infrastructure - Electricity		–	1 981	–	400	400	400	200	2 204	3 208
Infrastructure - Water		–	5 893	7 566	8 212	8 212	8 212	12 585	6 427	6 711
Infrastructure - Sanitation		–	5 688	–	3 258	3 258	3 258	11 267	4 356	4 548
Infrastructure - Other		17 702	12 799	11 150	5 000	5 000	5 000	15	7 016	7 332
Infrastructure		*17 702*	*26 364*	*18 717*	*16 870*	*16 870*	*16 870*	*30 067*	*20 003*	*21 799*
Community		–	5 142	–	–	–	–	800	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	4 335	3 444	3 025	372	201	201	5 058	569	580
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		21	–	–	25	–	–	–	–	–
Total Renewal of Existing Assets	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4									
Infrastructure - Road transport		–	2	–	–	–	–	6 000	–	–
Infrastructure - Electricity		–	1 981	–	400	400	400	200	2 204	3 208
Infrastructure - Water		–	5 893	7 566	8 212	8 212	8 212	12 585	6 427	6 711
Infrastructure - Sanitation		–	5 688	–	3 258	3 258	3 258	11 267	4 356	4 548
Infrastructure - Other		17 702	12 799	11 150	5 000	5 000	5 000	15	7 016	7 332
Infrastructure		*17 702*	*26 364*	*18 717*	*16 870*	*16 870*	*16 870*	*30 067*	*20 003*	*21 799*
Community		–	5 142	–	–	–	–	800	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		4 335	3 444	3 025	372	201	201	5 058	569	580
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		21	–	–	25	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	**22 057**	**34 951**	**21 741**	**17 267**	**17 072**	**17 072**	**35 925**	**20 572**	**22 379**
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		164 475	147 550	115 999	125 994	125 994	125 994	102 378	67 795	38 914
Infrastructure - Electricity		35 473	36 687	33 382	33 317	33 317	33 317	29 304	27 660	26 983
Infrastructure - Water		85 373	92 449	94 989	103 732	103 732	103 732	112 981	121 095	131 208
Infrastructure - Sanitation		65 736	68 483	64 632	68 666	68 666	68 666	75 230	72 712	75 542
Infrastructure - Other		125 586	93 234	103 267	93 316	93 316	93 316	92 663	84 183	80 164
Infrastructure		*476 644*	*438 403*	*412 270*	*425 024*	*425 024*	*425 024*	*412 556*	*373 445*	*352 811*
Community		35 358	40 760	39 473	36 705	36 705	36 705	34 448	30 638	27 598
Heritage assets		0	–	–	–	–	–	–	–	–
Investment properties		26 976	34 756	34 710	34 321	34 321	34 321	32 350	29 805	27 234
Other assets		17 974	17 884	17 871	17 802	17 802	17 802	14 231	10 629	6 997
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		828	627	523	488	488	488	263	3	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**557 779**	**532 431**	**504 847**	**514 340**	**514 340**	**514 340**	**493 848**	**444 520**	**414 640**
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		48 037	45 060	49 320	50 980	50 980	50 980	51 487	51 999	52 516
Repairs and Maintenance by Asset Class	3	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**48 037**	**45 060**	**49 320**	**50 980**	**50 980**	**50 980**	**51 487**	**51 999**	**52 516**
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal and R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

MP314 Emakhazeni - Table A10 Basic service delivery measurement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets	1									
Water:										
Piped water inside dwelling		–	421	–	–	–		–	–	–
Piped water inside yard (but not in dwelling)		463	–	–	4,496,458	4,496,458	4,496,458	2,000,000	4,616,350	–
Using public tap (at least min.service level)	2							–	–	
Other water supply (at least min.service level)	4	27	56	–	3,000,000	3,000,000	3,000,000	2,026,400	2,000,000	–
Minimum Service Level and Above sub-total		490	477	–	7,496,458	7,496,458	7,496,458	4,026,400	6,616,350	–
Using public tap (< min.service level)	3	–	–	–	–	–		–	–	–
Other water supply (< min.service level)	4	–								
No water supply		929	452	–	3,000,000	3,000,000	3,000,000	–	–	–
Below Minimum Service Level sub-total		929	452	–	3,000,000	3,000,000	3,000,000	–	–	–
Total number of households	5	**1,419**	**929**	**–**	**10,496,458**	**10,496,458**	**10,496,458**	**4,026,400**	**6,616,350**	**–**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		309	481	–	3,257,917	3,257,917	3,257,917	2,367,507	3,967,200	–
Flush toilet (with septic tank)			–	–		–		–	–	–
Chemical toilet										
Pit toilet (ventilated)		65	65	–						
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		374	546	–	3,257,917	3,257,917	3,257,917	2,367,507	3,967,200	–
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions		2,824	2,278	–	3,257,917	3,257,917	3,257,917	–	–	–
Below Minimum Service Level sub-total		2,824	2,278	–	3,257,917	3,257,917	3,257,917	–	–	–
Total number of households	5	**3,198**	**2,824**	**–**	**6,515,834**	**6,515,834**	**6,515,834**	**2,367,507**	**3,967,200**	**–**
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)		86	86	–	–	–		–	–	–
Minimum Service Level and Above sub-total		86	86	–	–	–	–	–	–	–
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources		1,878	1,792	–						
Below Minimum Service Level sub-total		1,878	1,792	–	–	–	–	–	–	–
Total number of households	5	**1,964**	**1,878**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Refuse:										
Removed at least once a week		11,960	11,960	10	10,292	10,292	10,292	10,292	10,292	10,292
Minimum Service Level and Above sub-total		11,960	11,960	10	10,292	10,292	10,292	10,292	10,292	10,292
Removed less frequently than once a week				630	630	630	630	630	630	630
Using communal refuse dump					535	535	535	535	535	535
Using own refuse dump		2,618	2,618	2,659	2,659	2,659	2,659	2,659	2,659	2,659
Other rubbish disposal										
No rubbish disposal				589	589	589	589	589	589	589
Below Minimum Service Level sub-total		2,618	2,618	3,878	4,413	4,413	4,413	4,413	4,413	4,413
Total number of households	5	**14,578**	**14,578**	**3,888**	**14,705**	**14,705**	**14,705**	**14,705**	**14,705**	**14,705**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		14,578	14,578	–	14,578	14,578	14,578	14,578	14,578	14,578
Sanitation (free minimum level service)		960	1,052	–	1,200	1,200	1,200	1,300	1,350	1,400
Electricity/other energy (50kwh per household per month)		960	1,052	–	1,200	1,200	1,200	1,300	1,350	1,400
Refuse (removed at least once a week)		960	1,052	–	1,200	1,200	1,200	1,300	1,350	1,400
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		1,886	2,126	–	1,979	1,979	1,979	307	325	345
Sanitation (free sanitation service)		551	319	–	357	357	357	53	56	59
Electricity/other energy (50kwh per household per month)		22	5	–	20	20	20	52	57	63
Refuse (removed once a week)		746	505	–	520	520	520	551	584	620
Total cost of FBS provided (minimum social package)		**3,206**	**2,956**	**–**	**2,876**	**2,876**	**2,876**	**963**	**1,023**	**1,087**
Highest level of free service provided										
Property rates (R value threshold)		126	142	–	200	200	200		–	–
Water (kilolitres per household per month)		6	6	–	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	–	6	6	6	6	6	6
Sanitation (Rand per household per month)		56	63	–	86	86	86	91	97	103
Electricity (kwh per household per month)		50	50	–	50	50	50	50	50	50
Refuse (average litres per week)		52	58	–	81	81	81	86	91	96
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		411	436	–	436	436	436	462	490	520
Property rates (other exemptions, reductions and rebates)		7,611	3,319	–	3,319	3,319	3,319	3,518	3,729	3,953
Water		986	1,393	–	1,530	1,530	1,530	1,622	1,719	1,822
Sanitation		288	366	–	366	366	366	388	411	436
Electricity/other energy		858	2,464	–	2,464	2,464	2,464	2,612	2,769	2,935
Refuse		453	577	–	577	577	611	648	687	728
Municipal Housing - rental rebates									–	
Housing - top structure subsidies	6									
Other										
Total revenue cost of free services provided (total social package)		**10,606**	**8,555**	**–**	**8,692**	**8,692**	**8,727**	**9,250**	**9,805**	**10,394**